Postal Regulatory Commission Submitted 8/8/2014 3:38:37 PM Filing ID: 90140 Accepted 8/8/2014

BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
GLOBAL PLUS 1C CONTRACTS (MC2012-6)
NEGOTIATED SERVICE AGREEMENTS

Docket No. CP2014-40

NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING MODIFICATION TO GLOBAL PLUS 1C NEGOTIATED SERVICE AGREEMENT (August 8, 2014)

In Order No. 2063, the Commission included the agreement that is the subject of this docket within the Global Plus 1C product.¹ Attached to this notice is a modification to the agreement that is the subject of this docket. The modification changes the wording of Article 7 paragraph 3 (h) of the agreement and includes a revised Annex 1.

A redacted copy of the modification and a redacted version of the certified statement required by 39 C.F.R. § 3015.5(c)(2) are filed as Attachments 1 and 2 respectively. In addition, the Postal Service is filing redacted versions of the revised supporting financial documents for the contract that is the subject of this docket in separate Excel files.

With respect to the nonpublic version of the modification, certified statement and the revised financial workpapers that are filed under seal, the Postal Service hereby

¹ Order No. 2063, Order Approving Additional Global Plus 1C Negotiated Service Agreement, Docket No. CP2014-40, April 23, 2014, at 4.

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incorporates its Application for Non-Public Treatment filed in conjunction with its April 11, 2014, notice in this docket.² The application protects from disclosure the information that has been redacted from the materials that the Postal Service is filing publicly today with this notice.

Respectfully submitted,

UNITED STATES POSTAL SERVICE By its attorneys:

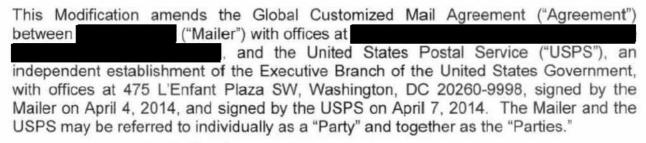
Anthony F. Alverno Chief Counsel Global Business and Service Development Corporate and Postal Business Law Section

Christopher C. Meyerson Attorney

475 L'Enfant Plaza, S.W. Washington, D.C. 20260-1137 (202) 268-7820; Fax -5628 christopher.c.meyerson@usps.gov August 8, 2014

² Notice of the United States Postal Service of Filing a Functionally Equivalent Global Plus 1C Negotiated Service Agreement and Application for Non-Public Treatment of Materials Filed Under Seal, Docket No. CP2014-40, April 11, 2014, Attachment 4.

MODIFICATION ONE TO THE GLOBAL PLUS 1 SERVICE AGREEMENT BETWEEN THE UNITED STATES POSTAL SERVICE AND



The purposes of this Modification are to change the wording of Article 7 Paragraph 3 (h) of the Agreement and replace Annex 1 of the Agreement.

Article 7 Paragraph 3 (h) of the Agreement shall now read as follows:

ARTICLE 7. OBLIGATIONS OF THE MAILER

The Mailer hereby agrees:

. . . .

h. CeP Qualifying Mail may be tendered in drop shipments at either:

JOHN F. KENNEDY AIRPORT MAIL CTR US POSTAL SERVICE JOHN F. KENNEDY INTERNATIONAL AIRPORT BLDG 250 JAMAICA, NY 11430-9998

OF

JT WEEKER INTERNATIONAL SERVICE CENTER US POSTAL SERVICE 11600 W IRVING PARK RD CHICAGO IL 60666-9998

or

LOS ANGELES INTERNATIONAL SERVICE CENTER US POSTAL SERVICE 5800 W CENTURY BLVD LOS ANGELES CA 90009-9998

or

MIAMI INTERNATIONAL SERVICE CENTER US POSTAL SERVICE 11698 NW 25TH ST MIAMI FL 33112-9997

or

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MIAMI PROCESSING AND DISTRIBUTION CTR US POSTAL SERVICE 2200 NW 72ND AVE MIAMI FL 33152-9997

The Miami International Service Center at 11698 NW 25th Street accepts cleared (already verified) CeP mail only.

The Miami Processing and Distribution Center at 2200 NW 72nd Avenue accepts cleared (already verified) and uncleared (not verified) CeP mail.

A revised Annex 1 of the Agreement is attached to this Modification.

The USPS will notify the Mailer of the Effective Date of this Modification within thirty (30) days after receiving the approval of the entities that have oversight responsibilities for the USPS.

All other terms and conditions of the Agreement shall remain in force.

The Parties acknowledge and understand that all obligations of the USPS under this Modification shall be contingent on the USPS receiving approvals (hereinafter "Conditions Precedent") from one or more internal and external bodies that have oversight responsibilities. Conditions Precedent may include, but are not limited to: approvals or, if applicable, non-objection, from responsible USPS management officials, the USPS Board of Governors, the USPS Governors, the Postal Regulatory Commission, and/or any other governmental body with oversight responsibility for the USPS. The Parties acknowledge that this Modification may not be approved by such individuals or bodies. Until such time that all Conditions Precedent are fulfilled that are necessary to allow the USPS to provide the products or services contemplated under the Agreement, no obligation shall exist for the USPS and no benefit shall inure to either Party. In the event that the Conditions Precedent are not fulfilled, the USPS shall have no liability, which shall include no obligation to pay costs associated with any action taken by the Mailer prior to the Effective Date of this Modification. Further, in the event of termination of the Agreement or the failure of any Condition Precedent, the USPS shall not be held liable for any damages including, without limitation, actual; special; indirect; incidental; punitive; consequential; or any other damages, which shall include but not be limited to damages for loss of business profits; business interruption; any other loss; and/or any costs incurred by either Party attributable to such non-approval such as attorney's fees.

The Mailer acknowledges that as part of securing approval of this Modification, and in other subsequent regulatory filings, the Modification and supporting documentation will be filed with the Postal Regulatory Commission ("Commission") in a docketed proceeding (CP2014-40). The Mailer authorizes the USPS to determine the scope of information that must be made publicly available in any Commission docketed proceeding in which information related to this Modification must be filed. The Mailer further understands that any unredacted portion of the Modification or supporting information will be available on the Commission's public website, http://www.prc.gov. In addition, the USPS may be required to file information in connection with this instrument (including revenue, cost or volume data) in other Commission dockets, including

Commission docket numbers ACR2014 and/or ACR2015. The Mailer has the right, in accordance with the Commission's rules, to address its confidentiality concerns directly with the Commission. The procedure for making an application to the Commission for non-public treatment of materials believed to be protected from disclosure is found at Title 39, Code of Federal Regulations, Section 3007.22 found on the Commission's website, http://www.prc.gov/Docs/63/63467/Order225.pdf.

The Parties may execute this Modification in one or more counterparts (including by facsimile or by electronic means such as .pdf format). Not all Parties need be signatories to the same document. All counterpart signed documents shall be deemed an original and one instrument.

In witness whereof, this Modification is deemed executed on the latter of the two dates accompanying the Parties' signatures.

ON BEHALE	OF THE UNITED S	TATES POSTAL SERVICE:
	Signature:	June A. Celello
	Name:	Frank A. Cebello
	Title:	Executive Director, Global Business Management
	Date	7/7/14
ON BEHALF	FOF	
	Signature:	
i i i i i i i i i i i i i i i i i i i	Name:	
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Modification One Page 3 of 11

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Certification of Prices for the Global Plus 1 Contract with

I, Virginia Mayes, Manager, Cost Attribution, Finance Department, United States Postal Service, am familiar with the prices for the Global Plus 1 Contract with The prices contained in this contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates, issued on March 22, 2011 (Governors' Decision No. 11-6), which established prices by means of price floor formulae.

I hereby certify that the numerical cost values underlying the prices in the Contract are the appropriate costs to use in the formulae and represent the best available information. The prices, resulting in a cost coverage in excess of the minimum required by the Governors' Decision, are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). The prices demonstrate that the Contract should cover its attributable costs and preclude the subsidization of competitive products by market dominant products. International competitive mail accounts for a relatively small percentage of the total contribution by all competitive products. Contribution from Global Plus 1 Contracts should be even smaller. The Agreement with should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

Virginia Mayes